

regarding the unique numbering requirements/environments of each country. Bellcore's years of experience in all these areas is well documented. Once again, this expertise can save the telecommunications sector a great deal of time, effort, and grief by successfully resolving these international disputes at the NANPA level.

Lastly, Bellcore provided much of the draft text to the INC for those sections of existing assignment guidelines regarding dispute resolution. Bellcore can similarly assist the NANC in the development of its dispute resolution procedures, if the NANC so chooses.

Bellcore welcomes the development and implementation of orderly, systematic, and fair procedures for the resolution of all potential dispute situations.

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7. Enterprise Services

NANPA, Inc. will provide all the required and optional enterprise services at a fair and reasonable fee.

7.1 Operating Principles

NANPA, Inc. agrees that any enterprise services that it offers will conform to the operating principles in this section, namely:

1. The fees associated with enterprise services shall be fair and reasonable.
2. Enterprise service fees for the same service must be the same for all customers.
3. Enterprise services shall be performed without jeopardizing NANPA duties and responsibilities.
4. Proprietary/confidential information provided to the new NANPA shall not be used in the provision of any enterprise service.
5. All fees associated with an enterprise service shall be collected by the new NANPA.

7.2 Required Enterprise Service

NANPA Inc. will provide rating and routing input to the RDBS/BRIDS for code applicants that request the new NANPA to input the information contained in Part 2 of the CO Code Administration Guidelines. This includes reviewing the information, assisting in the preparation of the information and the actual inputting of the information to the relevant databases.

In order to provide these required enterprise services, NANPA, Inc. would function as a "maintenance agent" for the code assignee, and proposes the following fee schedule:

1. A one-time fee of \$75.00 to create each record.
2. A one-time fee of \$40.00 to update an existing record.
3. An annual maintenance fee, from Traffic Routing Administration, currently \$17 per record.

These fees include all the information review and preparation assistance necessary to the customer to ensure the accuracy and completeness of each record generated.

7.3 Optional Enterprise Services

Discussed below are several possible enterprise services that NANPA, Inc. could provide, including the two optional services listed in the Requirements Document.

Two types of services are envisioned:

- Custom services - These services would be performed on a time and materials basis. Time charges would be based on an hourly rate schedule approved by the NANC. Exact prices for each service would be negotiated with the customer using the approved hourly rate schedule. An example of a custom service might be preparation of detailed area code split maps.
- Repetitive services - These services would be performed for a fixed fee approved by the NANC. An example might be a numbering seminar offered by NANPA to the general public.

7.3.1 Training

NANPA, Inc. will develop and provide training in any aspect of numbering. NANPA, Inc. staff would provide training on all aspects of NANP administration. For more expansive numbering training, i.e., number portability, internal numbering plan design, NANPA, Inc. staff would be supplemented by the appropriate subject matter experts coordinated by the Numbering Strategies organization. Such training would be provided as a custom service for specific customers. If there is sufficient demand for specific topics, seminars would be developed and presented either on site for large customers or in public facilities for general audiences. In this latter case, seminars would qualify as repetitive services.

7.3.2 Custom Reports

Specialized reports can be developed for customers as a custom service. All the information contained in the NANPA, Inc. paper and electronic records can be organized and prepared in the form of customized one time or periodic reports specifically designed to a customer's needs. These services would be designated as and charged for as a customer service.

7.3.3 Paper Copies of NANPA Reports

For many years the current NANPA distributed copies of numbering information letters and other related documents free of charge. The distribution list became sizable, and distribution costs soared. This practice continued through 1995 in order to facilitate the introduction of interchangeable NPA codes. In 1996, in order to bring these costs under control, we introduced a \$10 charge for each of our numbering letters. That charge primarily covered the cost of ordering and billing. An annual subscription charge, for all letters would have been preferable, but it was not clear at that time how much longer we would continue as NANPA.

Based on this experience, we propose that NANPA documents be made available in hard copy form either through an annual subscription fee (price to be determined and approved by NANC) or by the copy at \$10 for each document, with the exception of guidelines documents which will be free of charge. Since most of the information is available on the NANPA web site, these fees merely cover the convenience of automatically providing hard copies of documents without having to

search for availability. This service would be provided by Bellcore through an arrangement with NANPA, Inc.

7.3.4 Numbering Consulting Services

The NANPA, Inc. can contract with the Numbering Strategies organization for the full range of numbering consulting expertise. The Numbering Strategies organization has a full time team of numbering experts as well as direct access to Bellcore subject matter experts.

This team currently serves as consultants to several foreign ministries on many aspects of numbering plan design, format, function, administration and regulation. Many ministries and committees comparable to INC and NANC have found it expeditious to have such consultants "on call" to start and assist in the resolution of numbering issues and procedures as an independent arbiter. Such a consultant can often "jump start" a resolution by offering a straw proposal up front for consideration often saving months of time and effort.

The Numbering Strategies organization could provide such optional enterprise services to the North American Telecommunications sector for a fair and reasonable fee.

7.4 Auditing

If selected, NANPA, Inc. will identify and record separately all costs associated with providing enterprise services will be identified and recorded separately. Our time recording and accounting systems make this easy to do. Annual enterprise service costs will be reported to the NANC.

If selected, NANPA, Inc. agrees to obtain an independent audit of its books (including enterprise services) after the first, third, and fifth years of operation.

8. Billing and Collection Agency Function

Belcore is not proposing to perform the Billing and Collection function.

9. Miscellaneous

This section describes how NANPA, Inc., if selected, will meet the miscellaneous requirements in Section 9 of the Requirements Document.

9.1 Hours of Operation

NANPA, Inc.'s central staff location in New Jersey will be open for business and available at least five days a week, eight hours a day. NANPA, Inc. will have a general access telephone number (equipped with voice mail and emergency paging functions), facsimile number, and email address to permit 24 hour 7 day access. NANPA, Inc. staff will respond to calls, faxes, and email messages to the these facilities within one business day.

9.2 Telecommunications Requirements

Each NANPA, Inc. staff member will have an individual phone number, equipped with voice mail, conference calling, and "0" transfer capability to a "live" person.

NANPA will have access to the routing and rating databases, e.g., RDBS and BRIDS, as well as to the information contained in the LERG or equivalent.

NANPA, Inc. staff will be provided with IBM compatible personal computers linked through a local area network. Each staff member will have his/her own email address.

9.3 Security Requirements

NANPA, Inc. will be located in a secured, limited access facility. Records are maintained in secured work areas.

Most documentation submitted to or produced by NANPA is non-proprietary. On occasion, however, applicants submit proprietary information to support their requests for numbering resources. Additionally NANPA, Inc. will routinely receive proprietary responses to annual COCUS inquiries. All such information is stamped "Proprietary" and stored in a separate location from non-proprietary information. NANPA, Inc. will not retain proprietary material any longer than necessary and at the appropriate time the proprietary material is either destroyed or returned to the applicant. While on NANPA, Inc. premises, proprietary information will be stored in locked rooms within the secured, limited access facility will be accessible only to NANPA, Inc. personnel. Proprietary information is not recorded in the assignment and other databases.

Master copies of assignment databases are accessible only by the individuals who assign those numbering resources. A backup copy of each database will be accessible by NANPA, Inc. staff for reference. All databases are backed up at least daily, and copies are maintained both on-site and at multiple off-site locations. Backup PC capabilities are available in case of equipment failure and a corporate disaster recovery program insures that current and archived copies of assignment databases can be retrieved if needed. These arrangements are in use today, and will be "scaled up"

to accommodate the new functions and personnel. CO code assignment will be performed at the NANPA, Inc.'s central location.

9.4 Staffing Requirements and

9.5 Organizational Structure

Requirements in these two sections overlap, and therefore will be discussed together. If selected, NANPA, Inc. commits to augment the current NANPA staff in order to provide the skills and experience required for the new NANPA. Guiding principles in recruiting and hiring additional professional staff will be as follows:

- A core component of individuals with experience in central office code administration and NPA relief planning will be necessary to insure a successful and problem-free transfer of these functions from the companies that perform them today. If selected, our first priority will be to recruit and hire these people.
- It is desirable that the backgrounds of the NANPA, Inc. staff represent a cross section of the telecommunications industry. An attempt will be made to build staff with experience ranging across multiple industry segments. Similarly, it would be desirable to have employees representing the various countries that share the NANP. Every effort will be made to recruit staff at all levels from all sectors of the industry and from multiple NANP

countries. The industry's assistance is solicited in identifying to NANPA, Inc. applicants for staff positions.

If selected, NANPA, Inc. will establish headquarters in New Jersey. Remaining in New Jersey will mean that current NANPA employees do not have to relocate. Key locations in all of the NANP countries are easily accessible from New Jersey. Newark airport is an aviation hub, making it relatively easy to reach any of the areas served by the NANP. Washington, D.C., for example, is less than an hour away by air, or two and one-half hours by train. Thus NANPA, Inc. staff can easily and reliably attend meetings with the NANC and the FCC. Similarly, non-stop jet service is available to Ottawa, facilitating meetings with Industry Canada. Current NANPA work has always entailed travel, and a willingness to travel will be required of the appropriate NANPA, Inc. staff.

Centralizing as much work as possible in one location leads to economies of scale and CO code administration will be done at NANPA, Inc.'s New Jersey headquarters. NPA relief planning, however, can be most effectively performed if the planners are geographically dispersed through the U.S. NANPA, Inc. will establish at least two additional NANPA offices to provide local presence in the central and western areas of the U.S. The exact number and locations of the regional offices will be determined during the central office code transition planning process scheduled to occur immediately after the new NANPA is identified. Belcore currently has offices throughout the U.S. and the world that would be easily and cost effectively augmented to serve this regional purpose.

The organizational structure envisioned for NANPA, Inc. is as shown below in Figure 9-1.

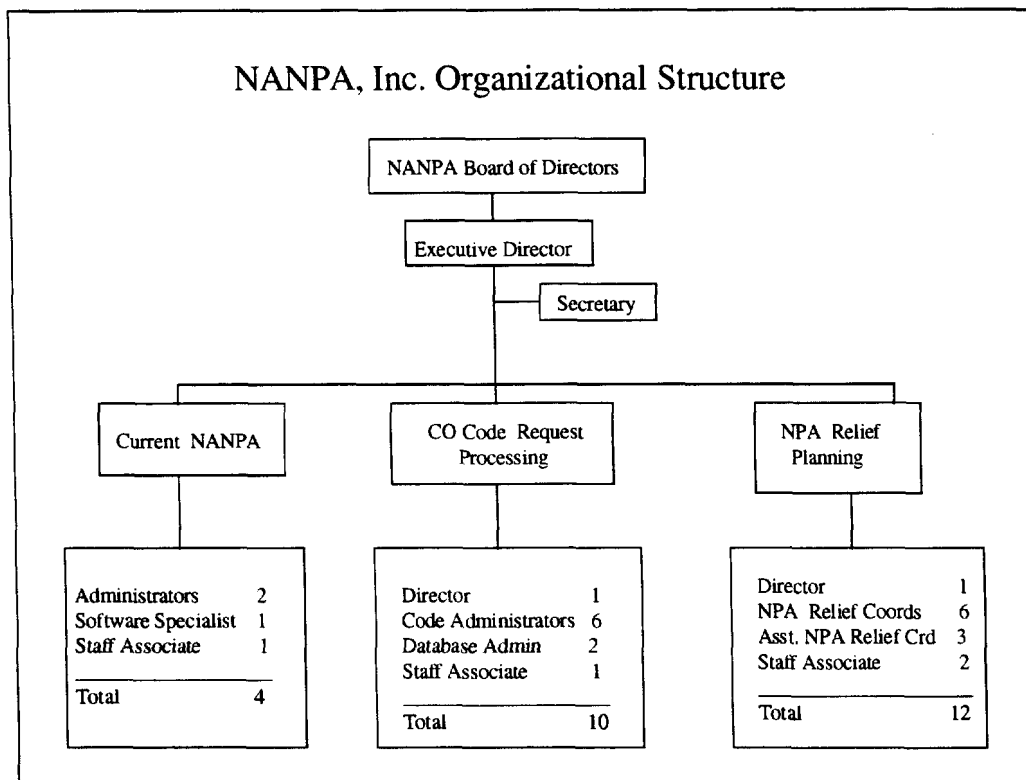


Figure 9-1 Proposed NANPA Organizational Structure

NANPA, Inc. will consist of 28 employees, under the supervision of its Board of Directors. The Board of Directors controls NANPA policy. The Board of Directors will meet at least quarterly, or more frequently if necessary.

Reporting to the Board of Directors is the Executive Director, who is responsible for the day-to-day management of NANPA, including operational and financial performance.

Reporting to the executive director are three groups, two of them supervised by directors. The group functions are as follows:

- **Current NANPA:** Includes resources currently administered; e.g., 500 and 900-NXX codes, CICs. Also includes software support, budgets, reports, and management enterprise services.
- **CO Code Request Processing:** Includes central office code administration, COCUS, and RDBS and BRIDS input enterprise services.
- **NPA Relief Planning:** Includes assignment of NPA codes and coordination of NPA relief activities throughout the U.S.

Total head count for the new NANPA is 28, including a secretary who serves the executive director and the directors.

9.6 Reporting Requirements

9.6.1 NANP Number Resource Reports

NANPA, Inc. will produce the semi-annual resource report as described in this section of the Requirements Document, along with the monthly report for resources in jeopardy. These reports will be submitted to the NANC and any other designated authority and will be available on the NANP web site (Section 9.6.3 Item 17).

The Requirements Document says that the above reports should be provided to the NANP distribution list. Section 7 proposes that the distribution of paper copies to the NANP distribution list be provided as an enterprise service. We seek the NANC's concurrence with this proposal.

9.6.2 NANP Annual Report

NANPA, Inc. will publish the annual report as described in this section of the Requirements Document. Bellcore introduced the concept of the NANP annual report three years ago and have published one each year since. For the last two years, visitors to the numbering web site have been able to download the annual report along with area code maps.

9.6.3 NANPA Web Site

Bellcore agrees, if selected as the new NANPA, to provide the information listed in Items 1 - 17 of this section of the Requirements Document on the numbering web site. The information will be updated weekly as required.

Bellcore introduced the concept of including numbering information on the web site, and the concept has proved very popular. Our current web site includes much of the required information. Feedback from those who use the numbering information already on our web site indicates that this information is very useful, and can save them from having to make numerous phone calls to obtain this data.

In addition to the reports listed in Items 1 - 17, we propose to include "frequently asked questions," which provides answers to the questions most frequently received. We have these on the web site today, and they have saved many additional phone calls.

The web server will be located in a high security data center environment; authorized personnel need to pass through three levels of controlled access points, and the web server room is under round-the-clock video and electronic surveillance. Network access to the web server is secured by means of a network firewall (which allows "public" access to the server only for specific necessary functions, e.g., web browser access), and S/KEY™ system - a state-of-the-art one-time password facility for administrative access. Authorized web content updates will be performed on a separate "staging" system, where quality and access controls will be actively enforced. (The firewall allows no public access to the internal staging system.) Updates to the web server will flow from this internal "staging" machine in a regular and secure manner. The web server administration staff actively monitors public and industry news sources for the latest information on potential security vulnerabilities and proactively monitors the system for suspicious access activity. In addition, the data center has a thorough program of environmental controls, preventive maintenance and disaster recovery plans.

10. Pricing

10.1 Prices

Belcore's prices for this proposal are shown in the table below:

TABLE 1 - To Perform NANP and CO Code Administration Only					
Function	Year 1	Year 2	Year 3	Year 4	Year 5
NANP Administration	\$	\$	\$	\$	\$
CO Code Administration	\$	\$	\$	\$	\$

Prices are quoted in U.S. dollars, including government taxes, customs duties, tariffs, etc., in effect on the contract award date. The prices quoted for each of the functions include all start-up, transitional, managerial overhead, hardware, software, maintenance, travel, salaries, office space, heat, light, power, telecommunications, and other costs. The contract prices shall be increased by the amount of any new or increased taxes, duties, tariffs, or fees imposed by any state, local or foreign taxing authorities which the contractor is required to pay in the performance of its work under this contract.

Belcore represents that its proposed prices for these services are as low as those charged to its most favored customer for like quantities of the same or substantially similar services ordered under similar contracting provisions. If Belcore's prices for similar services decrease during the term of

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this Agreement, the NANC will receive preferred customer pricing for these services in accordance with the intent of this clause from the date such decreased prices become effective.

10.2 Terms and Conditions

The prices above are contingent on certain terms and conditions, which are listed below.

- NANPA, Inc. will not assume the risk for uncollectable payments. The FCC should instruct the billing and collection agent to provide a reserve fund to cover such contingencies.
- The volumes of assignment requests will not exceed those stated in the Requirements Document by more than 10% during the term of the agreement. Otherwise, the contractor's proposed prices and implementation schedules for this project shall be subject to an equitable adjustment.
- NPA relief coordinators will attend industry and regulatory meetings, and will serve in leadership roles, as described in Section 5 of this proposal. Meeting room charges, meeting secretarial support, and other charges associated with local meetings will be billed back to participants. NANPA, Inc. will not be responsible for the cost of other activities which may be required by state public service commissions, e.g., public opinion polls. These activities should be funded by the local industry in a manner to be determined by the state public service commission.

- Costs associated with preparation and distribution of paper copies of planning letters and other documents (except for assignment guidelines) will be recovered through enterprise service charges as discussed in Section 7 of this proposal.
- Should the FCC decide that NANPA, Inc. is no longer to serve as administrator of the NANP, it will provide 60 days notice to that effect. In the event of such termination, the customer shall pay Bellcore for: (i) the costs of all work performed hereunder prior to the effective termination date, (ii) any open, unpaid commitments incurred by Bellcore in the course of its work hereunder prior to the effective termination date, (iii) reasonable costs for shutting down this project and complying with the customer's termination directions, and (iv) a reasonable profit on the work performed hereunder prior to the effective termination date.
- Travel and living expenses in this proposal are based on the following assumptions:
 - ◆ On a regular basis NANPA will attend and participate in the meetings of the NANC (monthly), the INC (six meetings per year), and Study Group A Numbering Ad-hoc committee (six meetings per year).
 - ◆ The average number of meetings that NPA relief planners must attend will not exceed five meetings for each NPA relief activity.

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- ◆ No more than five meetings will be required with various NANC subgroups to plan for the central office code administration transition.
 - ◆ No more than twelve meetings with the FCC, Industry Canada, or other national regulatory agencies will be required each year.
- a) "Basis of Offer - The proposed contract prices and implementation schedules for this project are based upon the provision of these services as described in Bellcore's Technical Proposal and a 5-year fixed price contract, containing mutually agreeable contract provisions.
- b) "Changes - If any customer direction or changes cause an increase in the cost of, or the time required for the performance of any part of the work required under this contract, then the customer shall make an equitable adjustment in the contract prices and/or implementation schedules, or any other affected provisions, and shall modify this contract accordingly in writing. Until authorization to proceed with any such changes is received from the customer, Bellcore shall continue to perform its obligations hereunder in accordance with the contract as awarded.
- c) "Force Majeure - If Bellcore's or its subcontractor(s) or vendor(s) performance under this contract is prevented, hindered, delayed or otherwise made impracticable by reasons of acts of God, strike, flood, riot, fire, explosion, earthquake, acts of Government, unusually severe weather, or any other cause beyond the reasonable control of Bellcore (hereinafter called a "Force Majeure event"), Bellcore shall be excused from its performance to the extent that it is necessarily

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prevented, hindered, or delayed by the event and for so long as the event continues to prevent, hinder, or delay Bellcore's performance hereunder.

d) "Limitation of Liability - Bellcore shall perform the services to be provided under this contract with a degree of skill and care commensurate with generally accepted telephone industry practices.

"EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT, BELLCORE DISCLAIMS ANY AND ALL PROMISES, REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE SERVICES TO BE PROVIDED HEREUNDER, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY, OPERATION OR FITNESS FOR ANY PARTICULAR PURPOSE. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL BELLCORE BE LIABLE, WHETHER IN CONTRACT, TORT OR INDIRECT DAMAGES, HOWEVER ARISING, INCLUDING ANY DAMAGES FOR LOSS OF PROFITS OR LOSS OF DATA, OR ANY OTHER SPECIAL OR EXEMPLARY DAMAGES EVEN IF BELLCORE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES."

11. Compliance Matrix

SECTION 1.0 - General Information	REQUIREMENT	PROPOSAL
1.1 Introduction	Information on ability and flexibility to expand the scope of responsibilities from NANPA to include CO Administration.	Compliant - Information included in this section and in Section 3. Fourteen years experience qualify us uniquely to face the challenges of centralizing CO code administration.
1.2 Neutrality	<p>1. Non-government</p> <p>2. Independent third party</p> <ul style="list-style-type: none"> • not a telecommunications service provider • not owned or affiliated <p>3. Disclosure of any affiliations or associations with telecom.</p>	<p><u>Non-government</u>: Compliant - Bellcore is not, nor will it be a governmental agency.</p> <p><u>Affiliation</u>: Temporarily Non-Compliant - Bellcore is temporarily non-compliant because of its ownership by the Bell Operating Companies. Bellcore will be compliant when its sale to SAIC has been consummated.</p> <p><u>Revenue and Debt</u>: Compliant - Bellcore currently receives no more than 11% of its revenue from any telecommunications service provider.</p> <p><u>Undue Influence</u>: Compliant - Bellcore proposes to place NANPA in a separate subsidiary as described in Section 1.2.2 of this proposal. The separate subsidiary will have up to three "outside" members on its Board of Directors. Bellcore believes that this structure is immune from outside influence.</p> <p><u>"Cure Period"</u>: Compliant - Bellcore expects that its role to SAIC will be consummated during the 120 day cure period. In the unlikely event that Bellcore is not</p>

		sold, Bellcore will spin off the NANPA separate subsidiary.
1.3 Term of Administration	5 years (may be renewed)	Compliant
1.4 Valid Period for Respondent Proposals	Valid for a period of 12 months	Compliant
1.5 Impacts of Regulatory Activities and Industry	Accommodates changes due to new industry or regulatory directives, procedures or guidelines.	Compliant - Bellcore will follow the process defined in the Requirements Document.
1.6 Performance Review Process	1. Develop and describe internal documented performance monitoring mechanism and make available to the industry through NANC.	Compliant - Our response includes a comprehensive performance monitoring program that includes response time measurement and tracking, customer feedback forms, and monthly reports to the NANC.
	2. Investigate and report on identified problems within 10 business days.	Compliant - Performance reported to the NANC each month.
	3. Take corrective action.	Compliant - Performance reported to the NANC each month.
1.8 Preparation and Submission of Proposals	1. Responsible for preparation costs.	Compliant
	2. Addressed all requirements.	Compliant
	3. Proposal in proper format.	Compliant
	4. Signed by a duly authorized representative.	Compliant
	5. Marked "Proposal-NANPA," identifies name of the respondent organization.	Compliant
	6. Received by NANC by 12:00 Noon ET on April 3, 1997.	Compliant

	<p>7. One paper copy and diskette marked "Master Copy" to NANC.</p> <p>5. No facsimile</p> <p>6. English</p> <p>7. Forty paper copies in binders and two diskettes in IBM PC, Microsoft Windows, Microsoft Word 6.0/Excel 4.0.</p> <p>8. Times New Roman font size 12, printed on one side, double-spaced, 8-1/2x11 3-hole punched paper.</p> <p>9. Each section of proposal begins on new page and is tabbed separately.</p> <p>10. Provide additional copies as requested by the FCC.</p> <p>11. Advise NANC Chair in writing if proposal should no longer be considered.</p> <p>12. In event of respondent error in quoted price, time or calculations, the quoted price, time and calculations shall prevail.</p>	<p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Compliant</p> <p>Will comply if so requested.</p> <p>Compliant</p> <p>Compliant</p>
1.9.1 Evaluation Process	<p>1. Respond to questions concerning proposal in writing.</p> <p>2. Participate in individual meeting with</p>	<p>Compliant</p> <p>Compliant</p>

	evaluators	
1.11 Confidentiality and Use of Information	<p>1. Use Requirements Document solely for the purposes of responding.</p> <p>2. No publicity or news release about Requirements Document or selection of a respondent without prior written approval of NANC.</p>	<p>Compliant</p> <p>Compliant</p>
1.12 Inquiries	All questions and concerns forwarded in writing to Chair of NANC, copy Designated Federal Official.	Compliant